

Ministry of Agriculture



Plan for 2014-15

Statement from the Minister



*The Honourable Lyle Stewart
Minister of Agriculture*

I am pleased to present the Ministry of Agriculture's Operational Plan for 2014-15.

The Government's Direction and Budget for 2014-15 are built on the principle of Steady Growth to support a continued focus on sound economic growth and shared prosperity. Agriculture is an integral part of our Saskatchewan Plan for Growth. Our goals are to increase crop production by 10 million tonnes; increase agri-food exports by 50 per cent; establish Saskatchewan as a global leader in bioscience; and increase value-added opportunities to \$6 billion, all by 2020.

The 2014-15 Ministry of Agriculture Budget is \$371.6 million. About 65 per cent of this budget will go toward fully funding business risk management programs including AgriStability, AgriInvest and Crop Insurance. The Crop Insurance budget is \$165.4 million, with the fourth highest coverage in the program's history. For the first time ever, Saskatchewan producers will have livestock price insurance through the Western Livestock Price Insurance Program.

We continue to invest in strategic initiatives that will help the agriculture sector be more competitive in the long-term. We are providing nearly \$79 million in areas including agriculture innovation, research and technology transfer; rural water infrastructure; and pest control and disease surveillance.

These investments will help producers, the industry and the Province meet our ambitious growth targets.

The Ministry will report on progress made toward this plan, within the financial parameters provided, in the 2014-15 Annual Report.

Response to Government Direction

The Government is committed to establishing Saskatchewan as the best place to live, work and raise a family.

In October 2013, the first progress report on the *Saskatchewan Plan for Growth – Vision 2020 and Beyond* was released. Saskatchewan's growth is strong and steady. As Saskatchewan continues to move forward, the Government will support growth in 2014-15 through investing in people and needed infrastructure, encouraging economic growth, and through sound policy and financial decisions.

Saskatchewan's Vision

"... to be the best place in Canada – to live, to work, to start a business, to get an education, to raise a family and to build a life."

Streamlining growth and
opportunities for Saskatchewan
people

Meeting the challenges
of growth

Securing a better quality
of life for all
Saskatchewan people

Delivering responsive
and responsible
government

Government's vision and four goals provide the framework for ministries, agencies and third parties to align their programs and services to these priorities and meet the needs of Saskatchewan's citizens.

All ministries and agencies will report on progress in their 2014-15 annual reports. This supports Government's commitment to keep its promises and ensures greater transparency and accountability to the people of Saskatchewan.

Mission, Strategies and Actions

Mission Statement

The purpose of the Saskatchewan Ministry of Agriculture is to enable a prosperous, market-driven agricultural industry through a supportive legislative framework, policies, programs and services.

Strategy

Enhanced long-term growth, competitiveness and sustainability of the industry

Key Actions

Targeted investment in infrastructure, science and innovation.

- ⇒ Support the Global Institute for Food Security in developing and implementing its strategic research initiatives and priorities.
- ⇒ In support of the Saskatchewan Plan for Growth goals and objectives, implement sector driven strategies (Crops, Livestock, Irrigation and Value Added Strategies) that increase investment in Saskatchewan, and contribute to the benefits from the growing demand for food, feed, fuel and fibre.
- ⇒ Assist the livestock industry in dealing with emergency events by implementing livestock traceability and premise identification systems.
- ⇒ Develop disease response protocols to improve industry participation and readiness to deal with emerging events.
- ⇒ Assist the crops industry by implementing enhanced pest surveillance and diagnostic services.
- ⇒ Facilitate research and technology transfer to achieve production and bio-science targets as listed in the Saskatchewan Plan for Growth.

Strategy

Enhanced trade advocacy

Key Actions

Support industry to enhance trade in priority markets.

- ⇒ Work with industry, other ministries, provinces and the federal government to promote Saskatchewan's trade policy objectives.

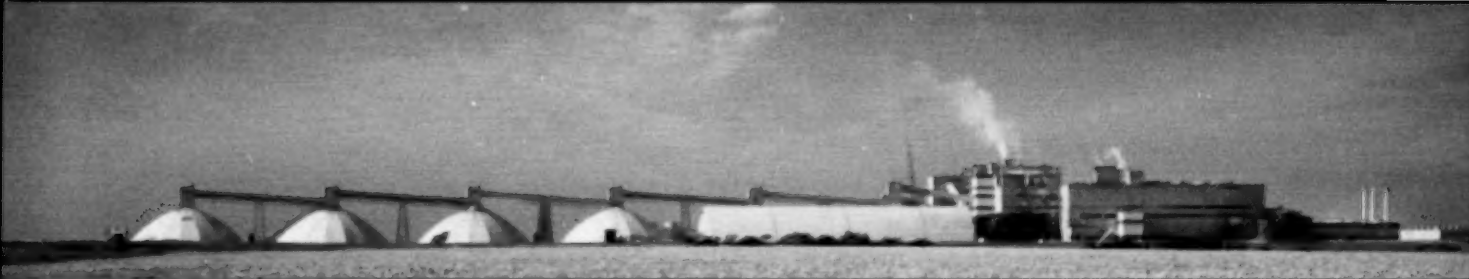


Photo Credit: Enterprise Saskatchewan, Greg Huszar Photography, Mosaic Belle Plaine site

Strategy

Enhanced client service

Key Actions

Efficiently develop and deliver effective programs and services.

- ⇒ Implement livestock price insurance for the cattle and hog industries.
- ⇒ Develop an integrated digital presence that allows the Ministry to better serve stakeholders and clients.
- ⇒ Facilitate the transition of land formerly operated under the federal Community Pasture Program back to the Province and to patron operation.

Strategy

Improved public perception of agriculture

Key Actions

Partner to promote the benefits of agriculture.

- ⇒ Develop and implement an agriculture awareness communications and marketing strategy.
- ⇒ Partner with industry stakeholders to enhance educational resources, programming and training.
- ⇒ Identify and promote career opportunities in agriculture to youth.

Performance Measures

Measure

Percentage of clients satisfied with programs and services.

2012 Client Services Survey: A total of 1,002 surveys were completed. According to the survey, 66 per cent of producers surveyed were satisfied with the Saskatchewan Ministry of Agriculture.

2008 Client Services Survey: A total of 753 producers were surveyed in March 2008. According to the survey, 39 per cent of producers who have accessed Saskatchewan Agriculture programs and services answered either satisfied or completely satisfied to the following question:

How would you rate your overall satisfaction with Saskatchewan Agriculture service delivery, using a five point scale where one means not satisfied at all and five means completely satisfied?

The next client satisfaction survey is planned for 2015.

Source: Saskatchewan Ministry of Agriculture

Measure Description

This measure is intended to assess the percentage of clients satisfied with the programs and services delivered by the Ministry.

The Ministry offers many programs and services designed to assist farmers and ranchers, including a wide variety of publications (both print and electronic), customer service telephone lines, specialist services and program development.

Technological advancements in areas such as social media, mobile phones, tablets and online transacting are happening at a rapid pace. As technology changes, the Ministry must update its service and information delivery systems to ensure clients' needs are being met, and programs and services are supportive of their overall agricultural operations.

A formal survey of client experiences with Ministry programs and services took place in 2012. The survey provides a performance indicator that will help Ministry officials gauge customer service and satisfaction, and will provide a benchmark for future years. The Ministry engaged a professional research firm in order to ensure accurate and reliable data was obtained, with the understanding that all scientific surveys contain an inherent margin of error.

Survey objectives

The objectives of the client services survey were to provide information to the Ministry in order to:

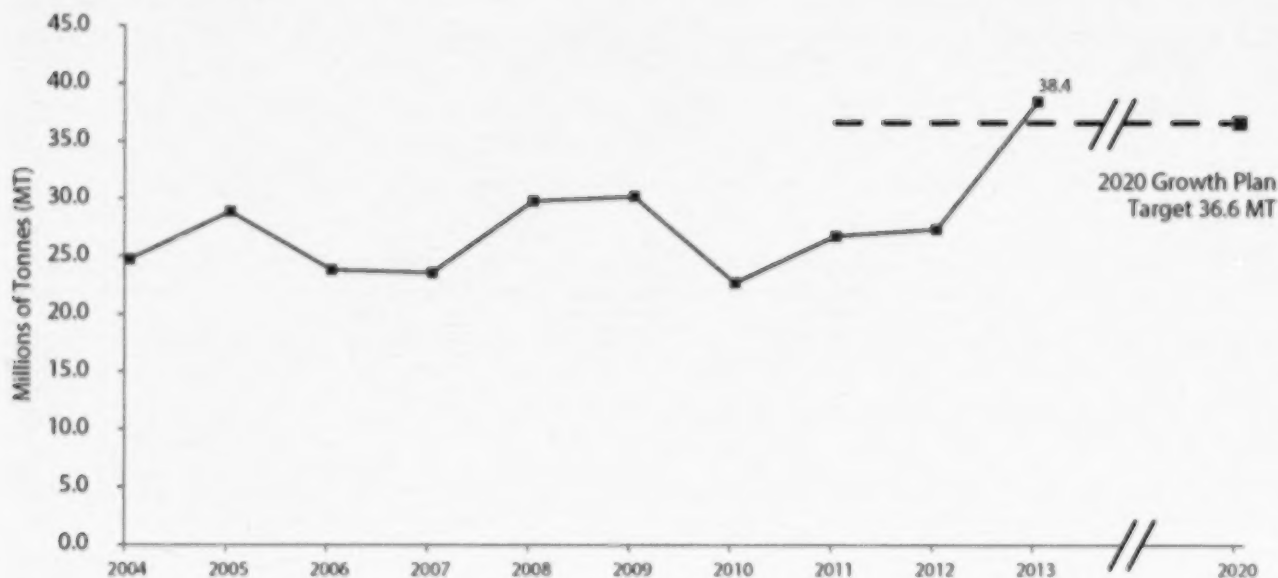
- ⇒ Understand which programs and services are being utilized by the farming community, and then determine if these services are meeting client needs;
- ⇒ Understand how technologically advanced farm households are in Saskatchewan and understand which methods of communication they prefer;
- ⇒ Gain insight concerning producers' overall opinion of the Ministry service delivery and then evaluate current Ministry performance with information from the 2008 survey;
- ⇒ Provide information that will help the Ministry and the Saskatchewan Crop Insurance Corporation make decisions to achieve the goal of enhanced client service and experience; and,
- ⇒ Gain information concerning recent changes in farming practices as a result of funding or information received from the Ministry.



Photo Credit: Tourism Saskatoon, City of Bridges

Measure

Annual Crop Production



Source: Statistics Canada

Measure Description

A key goal of The Saskatchewan Plan for Growth is to increase crop production by 10 million tonnes by 2020.

In 2013, Saskatchewan producers harvested the largest crop in the province's history and surpassed the 2020 target set out in the Saskatchewan Plan for Growth. There are many variables that go into producing a successful crop with weather being one of the most important. The challenge for the Ministry will be working with producers and industry to sustain the growth over a longer term.

The global population will increase to nine billion by 2050, requiring a doubling of food production. Saskatchewan has more than 40 per cent of Canada's arable agriculture land and is one of Canada's top agri-food exporters. Saskatchewan has an economic opportunity to increase food production to meet this demand.

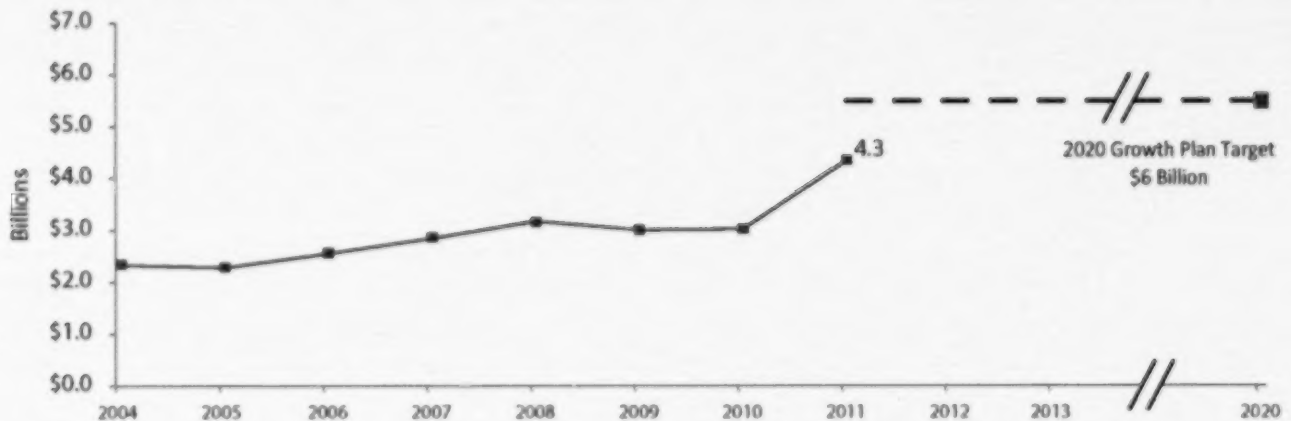
To achieve the crop-related Saskatchewan Plan for Growth target it is necessary for Saskatchewan farmers to increase their adoption of the tools offered by modern agriculture. The Ministry is a major investor in agriculture research and it is imperative that up-to-date research results from Saskatchewan and other sources are extended to our producers. The Ministry has substantial human, technical and communication resources to deliver a complete technology transfer package; from strategic research and demonstration programming, provincial and regional specialists, through to strong relationships with industry and commodity groups. The Ministry will use its resources to emphasize the importance of adopting the best crop management, production and protection practices that will result in increased and profitable crop production in Saskatchewan.



Photo Credit: Tourism Saskatchewan, Greg Huszar Photography, Over the Hill Orchards

Measure

Annual value-added revenue



Source: Statistics Canada

Measure Description

Saskatchewan's agri-food exports are driven by sale of raw commodities as that is our strength; however, the timing is right to also grow our agriculture value-added (processing) sector. A strong value-added industry will allow Saskatchewan to take advantage of the opportunities that come with an increasing demand for food, feed and fuel, as well as grow our domestic and international markets.

The Ministry has developed an Agriculture Value-Added Strategy, with the goal to capture economic value beyond primary production through value-added processing and innovation. The Strategy will do this by:

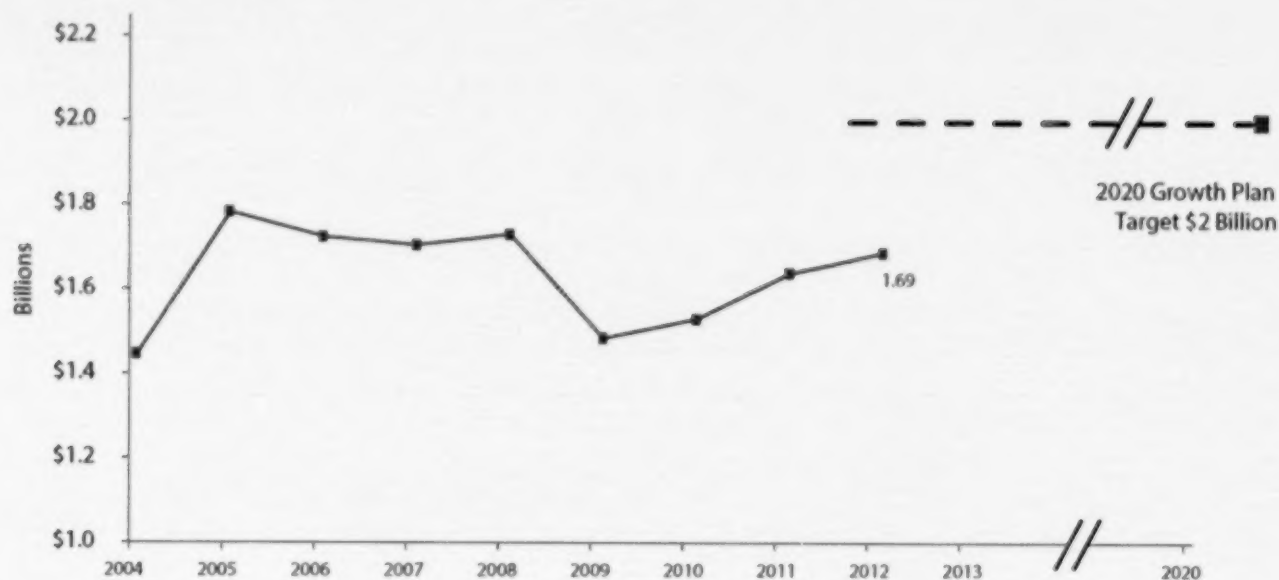
- ⇨ Building on our existing strengths in primary agriculture;
- ⇨ Attracting investment, developing infrastructure, creating new knowledge and opportunities;
- ⇨ Capturing value closer to home, thereby increasing economic benefits to producers, agri-business and the people of Saskatchewan; and,
- ⇨ Increasing the value-added sector's contribution to Saskatchewan's Gross Domestic Product (GDP), in a way that is stable and sustainable.

Total revenue of value-added agriculture activity has grown from \$2.3 billion in 2004 to \$4.3 billion in 2011. The dramatic growth in the last seven years has been due to the rapidly growing canola crush industry. To take us to 2020, such parallel growth is unlikely within existing canola crush capacity. However, as primary production of canola continues, there is opportunity for additional crush capacity. To meet our target of 40 per cent increase in total revenue, or \$6 billion by 2020, processing of all crop commodities will need to occur. In addition to canola oil crush and refining, this includes milling of grain and malt production, ingredient fractionation from pulses and other crops, animal food manufacturing, and meat processing.

It is anticipated that the target for increased revenue will send a compelling signal to industry, the research community and other governments that the value-added sector has significant growth opportunities and will be an important contributor to the success of Saskatchewan's Plan for Growth.

Measure

Annual livestock sector revenue



Source: Statistics Canada - Cansim Table 002-0001 - Farm cash receipts

Measure Description

The Saskatchewan Plan for Growth calls for significant growth in the livestock herd and expanded livestock feeding. The target for the livestock industry is to exceed \$2B in annual farm cash receipts by 2020.

Significant global population growth is anticipated over the next 30 years. Some of the countries with the fastest growth rate are also expected to experience significant increases in income which is anticipated in resulting in an increased demand in meat protein. Saskatchewan has 21 million acres of pasture and forage land that is well suited for livestock production. This provides an excellent opportunity for Saskatchewan to supply this growing demand.

To achieve livestock-related Growth Plan targets it is necessary for Saskatchewan farmers and ranchers to increase their adoption of genomic and feed related research that is both available today and becoming available in the near future. The Ministry is a major investor in agriculture research and it is imperative that up-to-date research results from Saskatchewan and other sources are extended to our producers. The Ministry has substantial human, technical and communication resources to deliver a complete technology transfer package; from strategic research and demonstration programming, provincial and regional specialists, through to strong relationships with industry and commodity groups. The Ministry will use its resources to emphasize the importance of adopting the best livestock management, production and protection practices that will result in increased and profitable livestock production in Saskatchewan.



Photo Credit: Ministry of Parks, Culture, and Sport, photo by Paul Austring, Blue Sky over Duck Mountain

Measure

Public understanding of agriculture as measured by the percentage of Saskatchewan residents with a positive perception of agriculture.

In a 2013 Agriculture Awareness Poll, 801 Saskatchewan respondents, representative of the province by gender, age and region, completed 10 questions on their perception of agriculture, through omnibus polling.

According to the 2013 poll, 89 per cent of Saskatchewan people agree or strongly agree with the following statement: *I have a positive perception of Saskatchewan agriculture.*

Another Agriculture Awareness Poll is planned for 2014.

Source: Saskatchewan Ministry of Agriculture

Measure Description

This measure is intended to assess the percentage of Saskatchewan residents who have a positive perception of agriculture.

Agriculture has and will continue to play a critical role in Saskatchewan's growth and identity. Today, agriculture is a progressive, modern, and market driven Saskatchewan industry, yet the public does not fully appreciate the economic, environmental, and social benefits it provides.

The average citizen is removed from direct food production. Often, it is sensational media stories that influence the public's opinion of the agriculture industry and our food supply. As a result, the public is liable to be exposed to information that may be erroneous, inaccurate, fabricated or biased.

The Ministry of Agriculture is working to provide the public with factual information about the importance, relevance and sustainability of the province's agricultural industry in order to improve the public understanding of agriculture related issues. Efforts directed at youth are intended to provide education on the science of agriculture as well as the multitude of diverse career opportunities the sector offers.

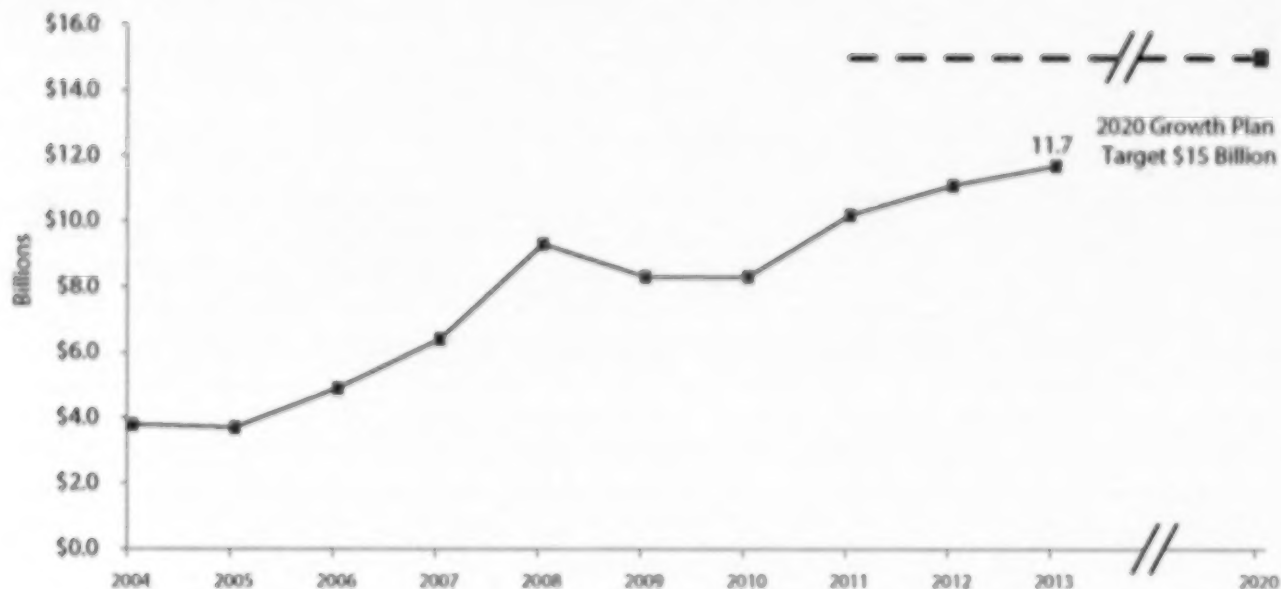
Another poll of Saskatchewan residents' perceptions about agriculture will take place in 2014. The poll will provide the Ministry with an updated understanding of the public's perceptions of agriculture, guide the next steps required in its agricultural awareness strategy and provide a benchmark for future years.



Photo Credit: Ministry of Environment

Measure

Value of agri-food exports



Source: Statistics Canada

Measure Description

Under the Saskatchewan Plan for Growth, the province's agri-food exports are set to reach \$15 billion by 2020.

The target to increase agri-food exports builds on the other Plan for Growth targets related to our traditional strengths in primary production and ongoing efforts to expand value-added activity in the province. With the forecast growth in world populations and income levels, global demand for food and agricultural-related goods is anticipated to increase. The aim of the Ministry is to position the sector to take advantage of these emerging opportunities.

In order to meet the Growth Plan target, exports will need to grow by approximately \$500 million per year. To date exports are on pace to meet the Growth Plan target. In 2012, Saskatchewan's agriculture exports grew by 9.5 per cent climbing to \$11.1 billion accounting for 34 per cent of total provincial exports. In 2013, Saskatchewan's agriculture exports set another record with exports of \$11.7 billion, up 5.4 per cent from 2012, an increase of \$600 million.

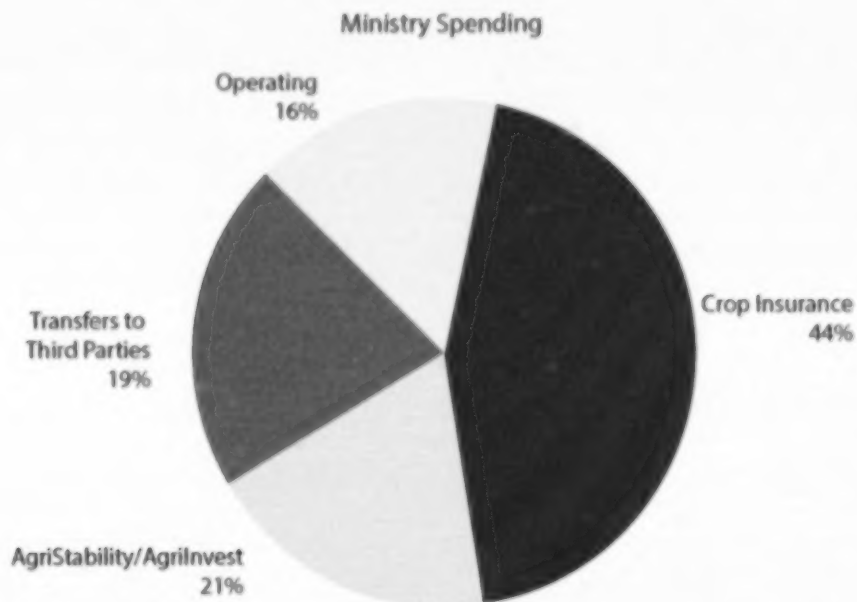
The Ministry of Agriculture supports industry's outgoing and incoming market development efforts to establish, maintain and expand market presence including leading trade missions, supporting participation in trade shows and promotional activities. Other support activities include influencing federal trade negotiating positions, collaborating with the private sector on market development and market access initiatives and improving access to market intelligence.

Financial Summary

2014-15 Estimates	(in thousands of dollars)
Central Management and Services	11,265
Industry Assistance	7,571
Land Management	5,977
Policy and Planning	3,005
Research and Technology	26,721
Regional Services	40,333
Financial Programs	33,648
Business Risk Management	242,235
Ministry Operations Appropriation	370,755
Capital Asset Acquisitions	(1,500)
Non-Appropriated Expense Adjustment	2,375
Total Expense	371,630

FTE Staff Complement	392.4
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For more information, see the Budget Estimates at: <http://www.saskatchewan.ca/budget>



Highlights

2014-15 Budget Highlights:

- ❏ Provide \$242.2 million to fully fund the Province's 40 per cent share of business risk management programs. This includes funding for Crop Insurance, as well as fully funding AgriStability and AgriInvest.
- ❏ Provide \$26.7 million to support agricultural research and development, including \$2.0 million in funding for the Global Institute for Food Security.
- ❏ \$4.2 million for third-party grants to a variety of agricultural organizations to develop and promote the industry.
- ❏ Nearly \$79 million in Growing Forward 2 funding for the areas of innovation and research, environmental farm planning, farm business management, rural water infrastructure, food safety/plant and animal health, value-added business development, agriculture awareness and trade and market development.

For More Information

Please visit the Ministry's website at <http://www.saskatchewan.ca/government/ministries/agriculture> for more information on the Ministry's programs and services.

Front Page Photo Credits



Canola and flax fields
Photographer, Charles Melnick



Biking, Narrows Hills Provincial
Park
Greg Huszar Photography



Over the Hill Orchards
Greg Huszar Photography



Saskatchewan Legislative
Building
Greg Huszar Photography